

Subpart H [Reserved]

**Subpart I—Floor Stocks Tax on
Certain Tobacco Products,
Cigarette Papers, and Ciga-
rette Tubes Held for Sale on
April 1, 2009**

AUTHORITY: Section 701, Pub. L. 111-3, unless otherwise noted.

SOURCE: T.D. TTB-75, 74 FR 14486, Mar. 31, 2009, unless otherwise noted.

GENERAL

§ 46.191 Purpose of this subpart.

The regulations in this subpart implement the floor stocks tax on certain tobacco products, cigarette papers, and cigarette tubes held for sale on April 1, 2009.

§ 46.192 Definitions used in this subpart.

As used in this subpart, the following terms have the meanings indicated unless the context in which they are used requires a different meaning or a different definition is prescribed for a particular section or portion of this subpart.

(a) *Appropriate TTB officer.* An officer or employee of the Alcohol and Tobacco Tax and Trade Bureau (TTB) authorized to perform any functions relating to the administration or enforcement of this part by TTB Order 1135.46, Delegation of the Administrator's Authorities in 27 CFR 46, Miscellaneous Regulations Relating to Tobacco Products and Cigarette Papers and Tubes.

(b) *Articles subject to floor stocks tax.* All Federally taxpaid or tax determined tobacco products (other than large cigars described in 26 U.S.C. 5701(a)(2)), cigarette papers, and cigarette tubes that are held for sale on April 1, 2009.

(c) *Cigarette paper.* Paper, or any other material except tobacco, prepared for use as a cigarette wrapper.

(d) *Cigarette tube.* Cigarette paper made into a hollow cylinder for use in making cigarettes.

(e) *Controlled group.* A related group of dealers under common control. Controlled groups include:

(1) *Controlled group of corporations.* The term “controlled group of corporations” has the meaning given to that term by 26 U.S.C. 1563(a) and the implementing regulations in 26 CFR 1.1563-1 through 1.1563-4, except that the phrase “more than 50 percent” shall be substituted for the phrase “at least 80 percent” each time it appears. Controlled groups of corporations include, but are not limited to:

(i) Parent-subsidiary controlled groups as defined in 26 CFR 1.1563-1T(a)(2).

(ii) Brother-sister controlled groups as defined in 26 CFR 1.1563-1T(a)(3).

(iii) Combined groups as defined in 26 CFR 1.1563-1T(a)(4).

(2) *Nonincorporated dealers under common control.* A group of dealers is considered to be a controlled group when the group would qualify as a controlled group of corporations, except for the fact that one or more of the dealers is not incorporated.

(f) *Dealer.* A person or other entity holding articles subject to floor stocks tax for sale on April 1, 2009, including manufacturers, importers, wholesalers, and retailers.

(g) *Floor stocks tax.* A tax imposed on all Federally taxpaid or tax determined tobacco products (other than large cigars described in 26 U.S.C. 5701(a)(2)), cigarette papers, and cigarette tubes held for sale on April 1, 2009. The floor stocks tax is the difference between the previous excise tax rate and the new excise tax rate.

(h) *Foreign trade zone.* A foreign trade zone established and operated pursuant to the Act of June 18, 1934, as amended, 19 U.S.C. 81a.

(i) *Person.* An individual, trust, estate, partnership, association, company, or corporation, any State, including the District of Columbia, or political subdivision thereof, or any agency or instrumentality of a State or political subdivision thereof.

(j) *Tobacco products.* Cigars, cigarettes, snuff, chewing tobacco, pipe tobacco, and roll-your-own tobacco as described in 26 U.S.C. 5702(a), (b), (m)(2), (m)(3), (n) and (o), respectively.